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Neighbors claim Spire story twisted

Developer misled residents, suit says

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The construction of the world's tallest residential tower, the Chicago Spire, could face a daunting obstacle just a few months after it began if nearby residents win a lawsuit they filed Wednesday in Cook County Circuit Court.

"We're very surprised to hear about the complaint," said a spokeswoman for the developer, Dublin-based Shelbourne Development Group Inc.

But, she added, "This will not affect construction at all."

However, the suit brought by the Riverview Condominium Association could possibly mean a change of plans for the 150-story tower if the neighbors prevail.

The suit claims that the developer misled the neighbors into granting an easement to dig part of a parking garage under their property. It also claims that given the nature of the waterfront land, excavation for the seven-story underground garage cannot be conducted without damage to the neighbors' homes, and therefore is not legal according to Illinois law.

But the spiraling tower on the waterfront where the Chicago River meets Lake Michigan must have a big underground garage to serve residents of its 1,200 condominium units.

"The association plans to proceed with this case on an expedited basis," said its attorney, Fred Sperling, a partner at Schiff Hardin LLP.

Shelbourne representatives said the easement under the neighbors' property would be used to dig a relatively narrow channel for utility lines, but the developer will actually be excavating for part of the garage, the suit claims.

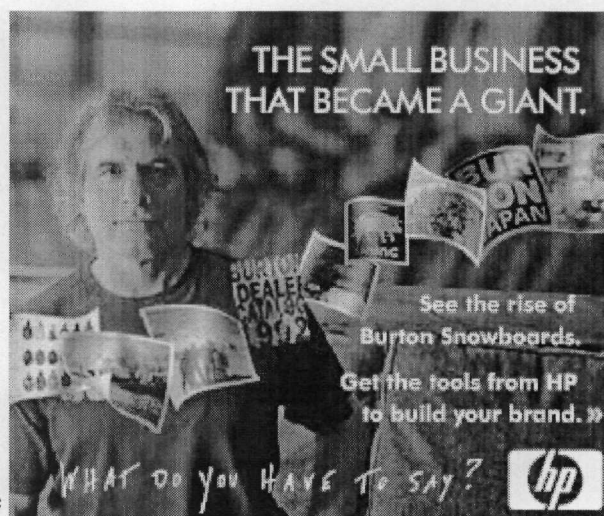
Such digging would harm the association's two towers and townhouses on North Water Street, the suit says.

Furthermore, the suit claims, Shelbourne used trickery to get the association to grant the easement.

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Therefore, it concludes, the easement awarded to Shelbourne in August should be rescinded.

The condominium association has requested a jury trial.

"Any lawsuit is groundless," the Shelbourne spokeswoman said. "We said from the beginning we'd fix any damage to their homes."

After a year of negotiations and talks, she said, "we thought we were close to a resolution concerning the use of the adjoining property."

The lawsuit was first reported by Crain's Chicago Business.

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